

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA ex rel.
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA,
99AG25112

Plaintiff,

v.

DEFEAT DIABETES FOUNDATION, INC.,
a Florida corporation;

ANDREW P. MANDELL,
in his corporate capacity as President of
Defeat Diabetes Foundation, Inc., and in his
individual capacity; and

JERALD Y. MANDELL,
in his corporate capacity as Treasurer of
Defeat Diabetes Foundation, Inc., and in his
individual capacity;

Defendants.

Equity No. EQCE 68757

CONSENT JUDGMENT

FILED
POLK COUNTY, IA
11 JUN 15 AM 8:19
IOWA DISTRICT COURT

On this 15th day of June, 2011, the Court, having been presented by
Assistant Attorney General Steve St. Clair with this Consent Judgment and having reviewed the
file in this matter, determines that final judgment should be entered herein, and finds as follows:

1. Plaintiff State of Iowa ex rel. Thomas J. Miller, Iowa Attorney General, has filed a
Petition in Equity against the above-captioned Defendants ("Defendants") pursuant to Iowa
Code § 714.16 (2011), the Iowa Consumer Fraud Act ("CFA"), and this Consent Judgment,
which has been approved by Plaintiff and each Defendant, is intended to resolve this litigation.
2. The Court has jurisdiction of the parties and subject matter.
3. Defendants deny wrongdoing or liability of any kind, but have agreed to entry of this

Consent Judgment in order to resolve their dispute with Plaintiff. This Consent Judgment represents the signatories' settlement of a disputed claim; Defendants do not admit, and expressly deny, wrongdoing; and the Court has made no finding of wrongdoing on the part of Defendants.

4. The Court finds that this Consent Judgment should be entered.

5. This Consent Judgment constitutes a full and final resolution of any and all claims by the Iowa Attorney General against Defendants for any and all alleged violations of the CFA that occurred prior to the entry of this Consent Judgment in connection with the solicitation of donations in Iowa.

IT IS THEREFORE ORDERED that Defendants, and each of them, and (as applicable) each Defendant's officers, directors, owners, managers, and successors, are enjoined from violating the CFA in connection with charitable fundraising, and, without limiting the foregoing, from failing to undertake such efforts as are reasonably necessary to ensure that fundraising they engage in, contract for, arrange, and/or authorize is conducted in compliance with the CFA.

IT IS FURTHER ORDERED that Defendants, and each of them, and (as applicable) each Defendant's officers, directors, owners, managers, and successors, refrain from engaging, directly or indirectly, in fundraising directed to Iowa residents or conducted from an Iowa location, for ten (10) years of entry of this Consent Judgment, and, as a condition precedent to re-commencing such fundraising after the ten (10) year period, such Defendants (i) provide advance notification in writing and by certified mail of the plans to re-commence fundraising to the then-Director of Plaintiff's Consumer Protection Division; (ii) provide such information relating to such plans as Plaintiff might reasonably request; and (iii), in recognition of the resource commitment of the State of Iowa associated with actively monitoring compliance with Iowa law, pay to the fund created by Iowa Code § 714.16C, the sum of \$10,000.00.

IT IS FURTHER ORDERED that Defendants pay to the State of Iowa, in the manner the Attorney General directs, the amount of \$2,500.00, to be used by the Attorney General for the administration and implementation of the CFA pursuant to Iowa Code § 714.16(7), and to be deposited into the fund created by Iowa Code § 714.16C (2011).

IT IS FURTHER ORDERED that any and all claims of any Defendant to whatever fundraising proceeds may have been frozen or seized pursuant to the November 2010 Search Warrant (Court No. SWCR242157) are hereby abandoned, released, and extinguished.

IT IS FURTHER ORDERED that the Court shall retain jurisdiction for purposes of enforcement of this Consent Judgment, and that Defendants shall pay court costs, if any.

SO ORDERED.

APPROVED BY:
DEFENDANTS:

Date: JUNE 8, 2011



Date: JUNE 8, 2011

Date: JUNE 8, 2011


Date: 6/13/11


PLAINTIFF ATTORNEY GENERAL:


Date: 6-14-11



Judge, Fifth Judicial District of Iowa

RICHARD G. BLUM
District Judge


For Defeat Diabetes Foundation, Inc.


Gerald Mandell


Andrew Mandell


Nathan Thomas, Counsel for Defendants


Steve St. Clair
Assistant Iowa Attorney General